

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 97-057-E - ORDER NO. 97-130
FEBRUARY 18, 1997

IN RE: Request of Carolina Power and Light) ORDER
Company for Approval of Large General) APPROVING
Service (Experimental - Real Time) REAL TIME
Pricing) Schedule LGS-RTP-2.) PRICING
) SCHEDULE

This matter comes before the Public Service Commission of South Carolina (the "Commission") on the request of Carolina Power & Light Company ("CP&L") to implement a new, experimental rate schedule known as Large General Service (Experimental - Real Time Pricing) Schedule LGS-RTP-2.

By way of explanation and in support of its request, CP&L states that during the past several years, CP&L has reviewed the "Real Time Pricing" rate design concept to determine the potential benefits it may offer that are not available under any of the CP&L's standard tariffs. According to CP&L, the next step in the evaluation process is to test this rate design through a limited offering. CP&L therefore requests that Large General Service (Experimental - Real Time Pricing) Schedule LGS-RTP-2 be available on an experimental basis to a limited number of customers to permit CP&L to conduct a thorough evaluation of program costs, administration issues, and customer reaction prior to a decision on

introduction of a permanent tariff. As an experimental offering, CP&L states that Large General Service (Experimental - Real Time Pricing) Schedule LGS-RTP-2 will be available to no more than twenty-five (25) customers with contract demand requirements of 1,000 kW or greater.

In describing its new experimental rate schedule, CP&L states that Large General Service (Experimental - Real Time Pricing) Schedule LGS-RTP-2 offers hourly marginal cost-based prices for electricity consumption in excess of a Customer Baseline ("CBL"). The hourly rates are developed daily and provided to participants prior to 4 p.m. on the preceding business day. The CBL is established individually for each participant and is intended to represent the customer's hourly consumption during the previous year under standard tariffs. The CBL is the basis for achieving revenue neutrality with the appropriate standard tariffs currently used to provide electric service.

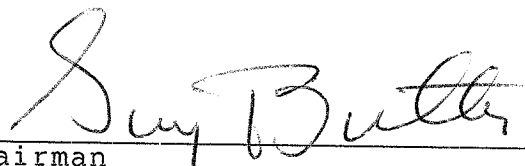
CP&L further suggests that Large General Service (Experimental - Real Time Pricing) Schedule LGS-RTP-2 will provide an opportunity to improve utilization of existing generation resources and will provide customers with cost-based opportunities to influence their electric usage. CP&L submits that customers may benefit under this rate design by either (1) shifting consumption away from high cost periods or (2) increasing consumption during low cost periods.

Upon consideration of this matter, the Commission believes that the Large General Service (Experimental - Real Time Pricing) Schedule LGS-RTP-2 should be approved.

IT IS THEREFORE ORDERED THAT:

1. CP&L's Large General Service (Experimental - Real Time Pricing) Schedule LGS-RTP-2 is approved.
2. CP&L shall file an original and ten (10) copies of the tariff within ten (10) days of receipt of this Order.
3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)